
GLOSSARY OF TECHNICAL TERMS

This glossary contains explanations of certain terms used in this prospectus in connection with the Company and its business. These terminologies and their given meanings may not correspond to those standard meanings and usage adopted in the industry.

“American Bureau of Shipping”	a maritime classification society established in the United States
“Baltic Dry Index”	an index of the daily average of international shipping prices of various dry bulk cargoes made up to 20 key dry bulk routes published by the Baltic Exchange in London
“bunker”	fuel, consisting of diesel or heavy fuel oil, used for vessels
“capesize”	dry bulk vessels size range as 100,000 dwt or larger
“charter hire”	the sum paid to the ship owner by a charterer for the use of a vessel under the time charter
“Clarkson Research” or “Clarkson Research Services” or “CRSL”	Clarkson Research Services Limited, a research company with offices in London, Shanghai and Ledbury and provider of shipping and maritime intelligence, and an Independent Third Party
“classification society”	an independent organisation that certifies that a vessel has been built and maintained in accordance with the rules of such organisation
“Daily TCE”	an acronym for daily time charter equivalent, a standard industry measurement of the average daily revenue performance of a vessel. The TCE is calculated by dividing the voyage revenues (net of expenses such as port, canal and bunker costs) by the available days (being the number of days that the vessel was operated by the Group during the charter period minus days without charter hire due to repair and maintenance and between two charter periods and days agreed with the charterers due to the speed claims or any other reasonable claims arising from the under-performance of the vessel) for the relevant time period
“demurrage”	a penalty charge against charterer, shipper or receiver for failing to complete loading/discharging within time allowed according to charter-party
“Det Norske Veritas”	a maritime classification society established in Norway
“DOC”	Document of Compliance, a document issued to a company which complies with the requirements of the ISM Code

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“dry bulk”	cargoes which are not in packages or containers; shipped loose in the hold of a ship without mark and count
“dry dock”	a facility or establishment where a vessel can be removed from the water for inspection, maintenance and/or repair of submerged parts
“dwt”	an acronym for deadweight tonnage, a measure expressed in metric tons or long tons of a ship’s carrying capacity, including cargoes, bunker, fresh water, crew and provisions
“handymax”	dry bulk vessels with size ranging from 40,000 to 59,999 dwt
“handysize”	dry bulk vessels with size ranging from 10,000 to 39,999 dwt
“IMO”	International Maritime Organisation, a United Nations agency that issues international trade standards for shipping
“ISM Code”	International Safety Management Code for the Safe Operation of Ships and for Pollution Prevention
“Lloyd’s Register of Shipping”	a classification society and independent risk management organisation established in the United Kingdom
“LNG”	an acronym for liquefied natural gas
“LPG”	an acronym for liquefied petroleum gas
“off-hire”	the period a vessel is temporarily unable to perform the services for which it is required under a time charter, or the period between two charters
“order book”	reference to currently placed orders for the construction of new vessels
“panamax”	dry bulk vessel with size ranging from 60,000 to 99,999 dwt
“pilotage”	the act of assisting the master of a ship in navigation when entering or leaving a port or in confined water
“P&I”	protection and indemnity. This denotes the insurance coverage taken by a ship owner or charterer against third party liabilities such as oil pollution, cargo damage, crew injury or loss of life, etc.
“Safety Management System”	structured and documented system enabling Company personnel to implement effectively the Company safety and environmental protection policy

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“SKULD”	Assuranceforeningen SKULD, a mutual insurance association providing P&I and defence insurance coverage
“SMC”	Safety Management Certificate, a document issued to a ship which signifies that a company and its shipboard management operate in accordance with the approved safety management system
“SOLAS Convention”	the International Convention for the Safety of Life at Sea
“spot market”	the market for immediate chartering of a vessel usually for single voyage
“technical management”	management of those aspects of ship owning and operation that relate to the physical operation of a vessel, including but not limited to selection, engagement and training of crew, maintaining necessary certifications, routine maintenance, repairs, dry docking and supplies of stores and spares, and arranging necessary insurance coverage
“time charter”	an arrangement whereby a ship owner hires out the vessel for a specified period, whereby the ship owner is required to provide and pay for the crew and other fixed cost of the vessel (such as insurance, repair and maintenance), while the charterer may, at its disposal, select the ports and direct the vessel where to go, and shall generally pay for all bunker, port charges, pilotages, canal charges and other costs that are directly related to the voyage. Freight is generally charged on a per day basis for the charter period, and is customarily paid periodically in advance
“voyage charter”	an arrangement for the hire of a vessel under which the ship owner is paid freight on the basis of the cargo movement from a loading port to a discharge port. The ship owner is generally responsible for paying both operating costs and voyage costs and the charterer is generally responsible for any delay at the loading or discharging ports